

Agenda item 4.1. (b)

Paragraph 21 of the annotated agenda

Recovery of methane-rich vapours from hydrocarbon storage tanks

CDM EB 111

Virtual meeting

30 August–1 September and 7–9 September 2021



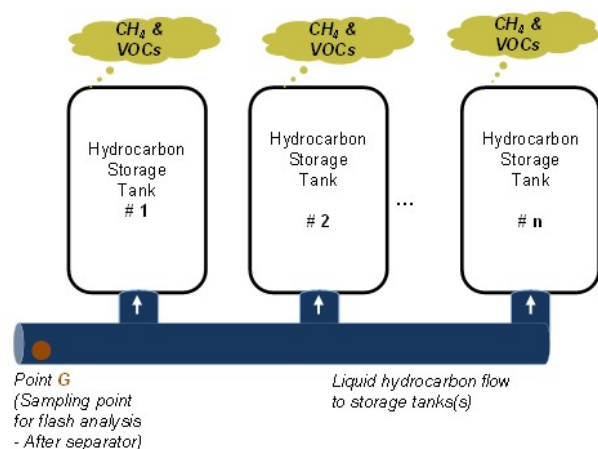
Procedural background

- The proposed new methodology is based on “PNM0380: Recovery of methane-rich vapours from hydrocarbon storage tanks, separators or stabilization containers” submitted 18 May 2020.
- The MP82-84 considered the submission and resolved a number of issues.
- The MP84 sought a mandate from EB110 to revise TOOL06.
- The MP85 considered the submission and revision to TOOL06 and made recommendations to EB111.

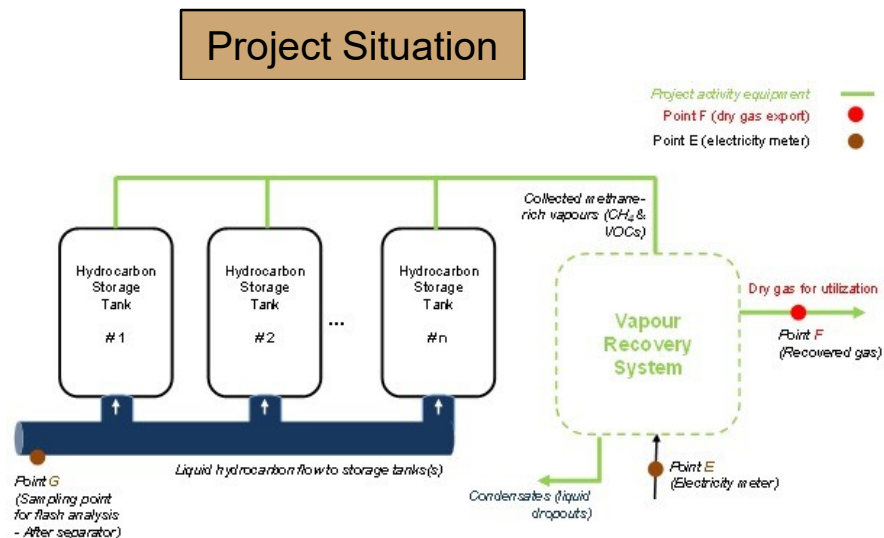


Purpose

The new methodology is applicable to project activities that **recover methane-rich vapours that were previously vented into the atmosphere** from hydrocarbon storage tanks located within existing (prior to 31 December 2020) facilities. Stabilization containers are not eligible under this methodology. The recovered gas may be flared or utilized to generate energy.



Baseline Situation



Key applicability conditions

- a) Applicable only to hydrocarbon storage tanks existing prior to 31 December 2020 (separators, stabilization containers are not eligible)
- b) The recovered methane was previously vented into the atmosphere (DOE to validate)

Baseline identification and additionality

Tool “Combined tool to identify the baseline scenario and demonstrate additionality”

At validation & verification: temperature/pressure at separation to be checked to avoid intentional release of more gases.



Baseline Emissions: methane contained in the emitted vapours

- *Ex-ante:* four ex-ante methods to estimate. Mandatory: method A and at least two of the three methods B, C and D. The most conservative value applies.
 - 1) Method A: direct measurement
 - 2) Method B: professional programme - E&P TANKS5
 - 3) Method C: calculation
 - 4) Method D: flash gas analysis
- *Ex-post:* Direct measurement.

Project Emissions: electricity consumption, fossil fuel consumption and flaring of recovered gas.

Leakage Emissions: zero as it is negligible.

Monitoring: all parameters related to the baseline and project emissions.



Draft methodology, if approved, is expected **allow for development of new CDM projects**, which have strong relevance for reducing GHG emissions in this sector.



Recommendations to the Board

The Methodologies Panel recommends that **the Board adopt this new methodology**, to be made effective at the time of the Board's approval.

